



April 6, 2001

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## ENGROSSED HOUSE BILL No. 1872

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DIGEST OF HB 1872 (Updated April 4, 2001 4:55 PM - DI 98)

**Citations Affected:** IC 12-7; IC 12-15; IC 12-17.6.

**Synopsis:** Emergency services. Requires the Medicaid Primary Care Case Management program and the Risk-Based Managed Care program to cover and pay for certain emergency and post-stabilization care services. Specifies reimbursement levels for certain emergency and post-stabilization care services. Amends the definition of "emergency" for purposes of the children's health insurance program. (The introduced version of this bill was prepared by the interim study committee on Medicaid oversight.)

**Effective:** Upon passage.

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### Brown C, Dillon

(SENATE SPONSORS — SMITH S, MILLER, ROGERS, LANDSKE)

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January 17, 2001, read first time and referred to Committee on Public Health.  
February 20, 2001, amended, reported — Do Pass.  
February 27, 2001, read second time, ordered engrossed.  
February 28, 2001, engrossed.  
March 5, 2001, read third time, passed. Yeas 98, nays 0.

SENATE ACTION

March 7, 2001, read first time and referred to Committee on Health and Provider Services.  
April 5, 2001, amended, reported favorably — Do Pass.

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EH 1872—LS 6213/DI 98+



April 6, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## ENGROSSED HOUSE BILL No. 1872

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A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 12-7-2-76.6 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: **Sec. 76.6. "Emergency medical condition", for**  
4 **purposes of IC 12-15-12, has the meaning set forth in**  
5 **IC 12-15-12-0.3.**

6       SECTION 2. IC 12-7-2-76.9 IS ADDED TO THE INDIANA CODE  
7 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
8 UPON PASSAGE]: **Sec. 76.9. "Emergency services", for purposes**  
9 **of IC 12-15-12, has the meaning set forth in IC 12-15-12-0.5.**

10       SECTION 3. IC 12-7-2-142.8 IS ADDED TO THE INDIANA  
11 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
12 [EFFECTIVE UPON PASSAGE]: **Sec. 142.8. "Post-stabilization care**  
13 **services", for purposes of IC 12-15-12, has the meaning set forth in**  
14 **IC 12-15-12-0.7.**

15       SECTION 4. IC 12-15-12-0.3 IS ADDED TO THE INDIANA  
16 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
17 [EFFECTIVE UPON PASSAGE]: **Sec. 0.3. As used in this chapter,**

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"emergency medical condition" means a medical condition manifesting itself by acute symptoms, including severe pain, of sufficient severity that a prudent lay person with an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in:

(1) serious jeopardy to the health of:

(A) the individual; or

(B) in the case of a pregnant woman, the woman or her unborn child;

(2) serious impairment to bodily functions; or

(3) serious dysfunction of any bodily organ or part.

SECTION 5. IC 12-15-12-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. As used in this chapter, "emergency services" means covered inpatient and outpatient services that are:**

(1) furnished by a provider qualified to furnish emergency services; and

(2) needed to evaluate or stabilize an emergency medical condition.

SECTION 6. IC 12-15-12-0.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.7. As used in this chapter, "post-stabilization care services" means covered services related to an emergency medical condition that are provided after an enrollee is stabilized in order to maintain the stabilized condition.**

SECTION 7. IC 12-15-12-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15. The office, for purposes of the Primary Care Case Management program, and a managed care contractor, for purposes of the Risk-Based Managed Care program, shall:**

(1) cover and pay for all medically necessary screening services provided to an individual, presenting to an emergency department with an emergency medical condition; and

(2) beginning July 1, 2001, not deny or fail to process a claim for reimbursement for emergency services on the basis that the enrollee's primary care provider's authorization code for the services was not obtained before or after the services were rendered.

SECTION 8. IC 12-15-12-17 IS ADDED TO THE INDIANA



CODE AS A NEW SECTION TO READ AS FOLLOWS  
[EFFECTIVE UPON PASSAGE]: Sec. 17. (a) This section applies to  
post-stabilization care services provided to an individual enrolled  
in:

- (1) the Medicaid risk-based managed care program; or
- (2) the Medicaid primary care case management program.

(b) The office, if the individual is enrolled in the primary care  
case management program, or the managed care organization, if  
the individual is enrolled in the risk-based managed care program,  
is financially responsible for the following services provided to an  
enrollee:

(1) Post-stabilization care services that are pre-approved by  
a representative of the office or the managed care  
organization, as applicable.

(2) Post-stabilization care services that are not pre-approved  
by a representative of the office or the managed care  
organization, as applicable, but that are administered to  
maintain the enrollee's stabilized condition within one (1)  
hour of a request to the office or the managed care  
organization for pre-approval of further post-stabilization  
care services.

(3) Post-stabilization care services and other covered services  
provided after an enrollee is stabilized that are not  
pre-approved by a representative of the office or the managed  
care organization, as applicable, but that are administered to  
maintain, improve, or resolve the enrollee's stabilized  
condition if the office or the managed care organization:

(A) does not respond to a request for preapproval within  
one (1) hour;

(B) cannot be contacted; or

(C) cannot reach an agreement with the enrollee's treating  
physician concerning the enrollee's care, and a physician  
representing the office or the managed care organization,  
as applicable, is not available for consultation.

(c) If the conditions described in subsection (b)(3)(C) exist, the  
office or the managed care organization, as applicable, shall give  
the enrollee's treating physician an opportunity to consult with a  
physician representing the office or the managed care  
organization. The enrollee's treating physician may continue with  
care of the enrollee until a physician representing the office or the  
managed care organization, as applicable, is reached or until one  
(1) of the following criteria is met:

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**(1) A physician:**

**(A) representing the office or the managed care organization, as applicable; and**

**(B) who has privileges at the treating hospital; assumes responsibility for the enrollee's care.**

**(2) A physician representing the office or the managed care organization, as applicable, assumes responsibility for the enrollee's care through transfer.**

**(3) A representative of the office or the managed care organization, as applicable, and the treating physician reach an agreement concerning the enrollee's care.**

**(4) The enrollee is discharged from the treating hospital.**

**(d) This subsection applies to post-stabilization care services and other covered services provided under subsection (b)(1), (b)(2), and (b)(3) to an individual enrolled in the Medicaid risk-based managed care program by a provider who has not contracted with a Medicaid risk-based managed care organization to provide post-stabilization care services and other covered services under subsection (b)(1), (b)(2), and (b)(3) to the individual. Payment for post-stabilization care services and other covered services provided under subsection (b)(1), (b)(2), and (b)(3) must be in an amount equal to one hundred percent (100%) of the current Medicaid fee for service reimbursement rates for such services.**

**(e) This section does not prohibit a managed care organization from entering into a subcontract with another Medicaid risk-based managed care organization providing for the latter organization to assume financial responsibility for making the payments required under this section.**

**(f) This section does not limit the ability of the office or the managed care organization to:**

**(1) review; and**

**(2) make a determination of;**

**the medical necessity of the post-stabilization care services provided to an enrollee for purposes of determining coverage for such services.**

**SECTION 9. IC 12-15-12-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) Except as provided in subsection (b), this section applies to:**

**(1) emergency services provided to an individual enrolled in the Medicaid risk-based managed care program; and**

**(2) medically necessary screening services provided to an**

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individual enrolled in the Medicaid risk-based managed care program who presents to an emergency department with an emergency medical condition.

(b) This section does not apply to emergency services or screening services provided to an individual enrolled in the Medicaid risk-based managed care program by a provider who has contracted with a Medicaid risk-based managed care organization to provide emergency services to the individual.

(c) Payment for emergency services and medically necessary screening services in the emergency department of a hospital licensed under IC 16-21 must be in an amount equal to one hundred percent (100%) of the current Medicaid fee for service reimbursement rates for such services.

(d) Payment under subsection (c) is the responsibility of the enrollee's risk-based managed care organization. This subsection does not prohibit the risk-based managed care organization from entering into a subcontract with another Medicaid risk-based managed care organization providing for the latter organization to assume financial responsibility for making the payments required under this section.

(e) This section does not limit the ability of the managed care organization to:

- (1) review; and
- (2) make a determination of;

the medical necessity of the services provided in a hospital's emergency department for purposes of determining coverage for such services.

SECTION 10. IC 12-17.6-1-2.6, AS ADDED BY P.L.95-2000, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.6. "Emergency" means a medical condition that arises suddenly and unexpectedly and manifests itself by acute symptoms of such severity, including severe pain, that the absence of immediate medical attention could reasonably be expected by a prudent lay person who possesses an average knowledge of health and medicine to:

- (1) place an individual's health in serious jeopardy;
- (2) result in serious impairment to the individual's bodily functions; or
- (3) result in serious dysfunction of a bodily organ or part of the individual.

SECTION 11. An emergency is declared for this act.



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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1872, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1872 as introduced.)

BROWN C, Chair

Committee Vote: yeas 12, nays 0.

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## SENATE MOTION

Mr. President: I move that Senator Rogers be removed as second sponsor of Engrossed House Bill 1872.

ROGERS

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SENATE MOTION

Mr. President: I move that Senator Miller be added as a second sponsor and Senator Rogers be added as cosponsor of Engrossed House Bill 1872.

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1872, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 12-7-2-76.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 76.6. "Emergency medical condition", for purposes of IC 12-15-12, has the meaning set forth in IC 12-15-12-0.3.**

SECTION 2. IC 12-7-2-76.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 76.9. "Emergency services", for purposes of IC 12-15-12, has the meaning set forth in IC 12-15-12-0.5.**

SECTION 3. IC 12-7-2-142.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 142.8. "Post-stabilization care services", for purposes of IC 12-15-12, has the meaning set forth in IC 12-15-12-0.7.**

SECTION 4. IC 12-15-12-0.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.3. As used in this chapter, "emergency medical condition" means a medical condition manifesting itself by acute symptoms, including severe pain, of sufficient severity that a prudent lay person with an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in:**

- (1) serious jeopardy to the health of:**
  - (A) the individual; or**
  - (B) in the case of a pregnant woman, the woman or her unborn child;**
- (2) serious impairment to bodily functions; or**
- (3) serious dysfunction of any bodily organ or part.**

SECTION 5. IC 12-15-12-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. As used in this chapter, "emergency services" means covered inpatient and outpatient services that are:**

- (1) furnished by a provider qualified to furnish emergency**

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services; and

(2) needed to evaluate or stabilize an emergency medical condition.

SECTION 6. IC 12-15-12-0.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.7. As used in this chapter, "post-stabilization care services" means covered services related to an emergency medical condition that are provided after an enrollee is stabilized in order to maintain the stabilized condition."**

Page 1, line 1, delete "IC 12-15-15-11" and insert "IC 12-15-12-15".

Page 1, line 3, delete "11." and insert "15."

Page 1, line 4, after "and" delete "the" and insert "a".

Page 1, delete lines 7 through 8.

Page 1, line 9, delete "(2)" and insert "(1)".

Page 1, line 9, after "all" insert "medically necessary".

Page 1, line 9, after "screening" insert "services provided to an individual".

Page 1, line 9, delete "beyond procedures".

Page 1, line 10, delete "routinely performed on all individuals".

Page 1, line 11, delete "regardless of the individual's actual" and insert "with an emergency medical condition; and".

Page 1, delete lines 12 through 13.

Page 1, line 14, delete "(3)" and insert "(2) beginning July 1, 2001,".

Page 1, line 14, after "deny" insert "or fail to process".

Page 1, line 14, after "for" insert "reimbursement for".

Page 1, line 17, delete "; and" and insert ".".

Page 2, delete lines 1 through 2, begin a new paragraph and insert:

"SECTION 8. IC 12-15-12-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 17. (a) This section applies to post-stabilization care services provided to an individual enrolled in:**

(1) the Medicaid risk-based managed care program; or

(2) the Medicaid primary care case management program.

(b) The office, if the individual is enrolled in the primary care case management program, or the managed care organization, if the individual is enrolled in the risk-based managed care program, is financially responsible for the following services provided to an enrollee:

(1) Post-stabilization care services that are pre-approved by a representative of the office or the managed care



organization, as applicable.

(2) Post-stabilization care services that are not pre-approved by a representative of the office or the managed care organization, as applicable, but that are administered to maintain the enrollee's stabilized condition within one (1) hour of a request to the office or the managed care organization for pre-approval of further post-stabilization care services.

(3) Post-stabilization care services and other covered services provided after an enrollee is stabilized that are not pre-approved by a representative of the office or the managed care organization, as applicable, but that are administered to maintain, improve, or resolve the enrollee's stabilized condition if the office or the managed care organization:

(A) does not respond to a request for preapproval within one (1) hour;

(B) cannot be contacted; or

(C) cannot reach an agreement with the enrollee's treating physician concerning the enrollee's care, and a physician representing the office or the managed care organization, as applicable, is not available for consultation.

(c) If the conditions described in subsection (b)(3)(C) exist, the office or the managed care organization, as applicable, shall give the enrollee's treating physician an opportunity to consult with a physician representing the office or the managed care organization. The enrollee's treating physician may continue with care of the enrollee until a physician representing the office or the managed care organization, as applicable, is reached or until one (1) of the following criteria is met:

(1) A physician:

(A) representing the office or the managed care organization, as applicable; and

(B) who has privileges at the treating hospital; assumes responsibility for the enrollee's care.

(2) A physician representing the office or the managed care organization, as applicable, assumes responsibility for the enrollee's care through transfer.

(3) A representative of the office or the managed care organization, as applicable, and the treating physician reach an agreement concerning the enrollee's care.

(4) The enrollee is discharged from the treating hospital.

(d) This subsection applies to post-stabilization care services and

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other covered services provided under subsection (b)(1), (b)(2), and (b)(3) to an individual enrolled in the Medicaid risk-based managed care program by a provider who has not contracted with a Medicaid risk-based managed care organization to provide post-stabilization care services and other covered services under subsection (b)(1), (b)(2), and (b)(3) to the individual. Payment for post-stabilization care services and other covered services provided under subsection (b)(1), (b)(2), and (b)(3) must be in an amount equal to one hundred percent (100%) of the current Medicaid fee for service reimbursement rates for such services.

(e) This section does not prohibit a managed care organization from entering into a subcontract with another Medicaid risk-based managed care organization providing for the latter organization to assume financial responsibility for making the payments required under this section.

(f) This section does not limit the ability of the office or the managed care organization to:

- (1) review; and
- (2) make a determination of;

the medical necessity of the post-stabilization care services provided to an enrollee for purposes of determining coverage for such services.

SECTION 9. IC 12-15-12-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) Except as provided in subsection (b), this section applies to:

- (1) emergency services provided to an individual enrolled in the Medicaid risk-based managed care program; and
- (2) medically necessary screening services provided to an individual enrolled in the Medicaid risk-based managed care program who presents to an emergency department with an emergency medical condition.

(b) This section does not apply to emergency services or screening services provided to an individual enrolled in the Medicaid risk-based managed care program by a provider who has contracted with a Medicaid risk-based managed care organization to provide emergency services to the individual.

(c) Payment for emergency services and medically necessary screening services in the emergency department of a hospital licensed under IC 16-21 must be in an amount equal to one hundred percent (100%) of the current Medicaid fee for service



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reimbursement rates for such services.

(d) Payment under subsection (c) is the responsibility of the enrollee's risk-based managed care organization. This subsection does not prohibit the risk-based managed care organization from entering into a subcontract with another Medicaid risk-based managed care organization providing for the latter organization to assume financial responsibility for making the payments required under this section.

(e) This section does not limit the ability of the managed care organization to:

- (1) review; and
- (2) make a determination of;

the medical necessity of the services provided in a hospital's emergency department for purposes of determining coverage for such services."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1872 as printed February 21, 2001.)

MILLER, Chairperson

Committee Vote: Yeas 6, Nays 0.

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